GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1072
ANSWERED ON:23.10.2008
PRICE HIKE OF PETROL DIESEL AND LPG
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of additional income to be earned by Oil Marketing Companies (OMCs) as a result of prices hiked by the Government for petrol,diesel and LPG in June,2008 and the amount of loss to be recovered thereby separately for petrol,diesel and LPG;

(b) the estimated loss still unrecovered inspite of this price hike with details thereof;

(c) the percentage of increase in inflation estimated to take place due to this price hike;and

(d) the number of O.M.Cs earned profit during the last year and the amount of profit earned by them?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS(SHRI DINSHA PATEL)

(a): The additional realisation (net of Sales Tax) of the Public Sector Oil Marketing Companies (OMCs) on account of price increase, effective 5th June,2008,is as follows:

Petrol Rs./Litre 4.17

Diesel Rs./Litre 2.67

Domestic LPG Rs./Cylinder 48.08

The additional revenue to be earned by the OMCs on account of price increase effective 5th June, 2008 has been estimated at Rs. 7,980 crore for the period from 5th June'08 to 30th September'08 as per details given below:

(Rs. crore)

	Amount Provisional
Petrol	1990
Diesel	4870
Domestic LPG	1120
Total	7980

(b): The under-recoveries of OMCs on marketing of sensitive petroleum products that remained uncovered despite the price hike are currently estimated at Rs.1.47 lakh crore,based on the prices of 2nd fortnight of October,2008.The details are given below:

PDS Kerosene Rs./Litre 28.07

Domestic LPG Rs./Cylinder 322.17

Petrol Rs./Litre 2.37

Diesel Rs./Litre 6.45

(c): For the week ending 7th June,2008,the inflation rate was 11.66% for all the commodities, out of which 1.16% was contributed by the increase in the prices of Domestic LPG,Petrol and Diesel.

(d): The Profit after Tax (PAT) earned by the OMCs namely;Indian Oil Corporation (IOC),Bharat Petroleum Corporation (BPC) and Hindustan Petroleum Corporation (HPC) during the last year is given below:

(Rs.crore)

2007-08

IOC 6962.52

BPC 1580.56

HPC 1134.88

Total 9677.96